

January 27, 2009

The regular meeting of the Council of the City of Martinsville, Virginia, was held on January 27, 2009, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kathy Lawson presiding. Council Members present included: Mayor Kathy Lawson, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Leon Towarnicki, Brenda Prillaman, Eric Monday, Wayne Knox, Mike Rogers, Linda Conover, Cindy Dickerson, Ruth Easley, and Susan McCulloch.

Following the invocation by Mayor Kathy C. Lawson and Pledge to the American Flag, Mayor Lawson welcomed everyone to the meeting.

On a motion by Danny Turner, seconded by Kimble Reynolds, Council approved with a 5-0 vote, the minutes of the January 13, 2009 meeting.

On a motion by Mark Stroud, seconded by Kimble Reynolds, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council approved the following ordinance on second reading, the abandonment of a portion of Dalton Street (alley) located between 208 Fayette St. and 212 Fayette Street, as shown on Tax Map 22:

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled January 27, 2009, that in order to assure compliance with Section §15.2-2006 of the Code of Virginia, it is stated that the public purpose for which this Ordinance is initiated is to fulfill the requirements of public necessity, convenience, general welfare and good zoning practice, that the alley space, as described below, be--and is hereby declared--vacated and abandoned, in favor of Porouko Murrell and Wanda Johnson – subject to payment of the assessed value of \$400.00, and the filing of an appropriate map with – and the approval by—the City’s Community Development Director, showing the area hereby declared vacated and abandoned by City Council on this date, which map, when and as approved, shall be duly recorded in the office of the Clerk of Martinsville City Circuit Court: The portion of an alley space, being approximately 20 feet wide and 149 feet long, located between 208 and 212 Fayette Street, as shown on Tax Map 22 of the City of Martinsville.

On a motion by Kimble Reynolds, seconded by Gene Teague, Council approved the following ordinance on second reading, the abandonment of an alley located between 702 Lesters Lane and 705 Liberty Street as shown on Tax Map 12., with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Teague, aye; Mr. Stroud, aye; and Mr. Turner, aye:

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled January 27, 2009, that in order to assure compliance with Section §15.2-2006 of the Code of Virginia, it is stated that the public purpose for which this Ordinance is initiated is to fulfill the requirements of public necessity, convenience, general welfare and good zoning practice, that the alley space, as described below, be--and is hereby declared--vacated and abandoned, in favor of Jimmie Ray Ford – subject to payment of the assessed value of \$200.00, and the filing of an appropriate map with – and the approval by—the City’s Community Development Director, showing the area hereby declared vacated and abandoned by City Council on this date, which map, when and as approved, shall be duly recorded in the office of the Clerk of Martinsville City Circuit Court: This alley, being approximately 10 feet wide and 100 feet long, located between 702 Lesters Lane and 705 Liberty Street, as shown on Tax Map 12 of the City of Martinsville.

On a motion by Gene Teague, seconded by Danny Turner, Council approved the following ordinance on second reading, with the following 5-0 recorded vote: Mrs.

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Lawson, aye; Mr. Reynolds, aye; Mr. Teague, aye; Mr. Stroud, aye; and Mr. Turner, aye, to rezone property located at 1 Dudley Street known as 12(12)00XR on the Tax Map of the City of Martinsville from P-2 Professional to C-1 Commercial:

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled January 27, 2009, that in order to assure compliance with Virginia Code Section 15.1-491 (g), it is stated that the public purpose for which this Ordinance is initiated is to fulfill the requirements of public necessity, convenience, general welfare and good zoning practice, that the: Zoning Map of the City of Martinsville, Virginia, be-- and is hereby -- amended to the extent that No. 1 Dudley Street, (known on the Tax Map of the City as 12(12)00/XR) is hereby rezoned from P-2 Professional to C-1 Commercial.

The agenda item regarding hearing a report from David Hughes with Robinson, Farmer and Cox on the FY08 Audit Report was tabled until the February 24, 2009 meeting.

Linda Conover, Budget Analyst, presented the following report regarding the monthly financial report:

Through the end of December 2008, Fiscal Year 2009, our revenues exceeded the anticipated budget by \$893,992. Two of the major funds, Sewer and Electric, fell slightly short of their anticipated goals at this time by \$137,090 and \$106,120 respectively. Due to the recent colder weather the utility billings and receipts will most likely increase over the next month or so. The Meals Tax revenue also fell slightly short of the anticipated goal by \$29,806 due to the closing of a vendor in late summer, and the collection issue with said vendor. This should be resolved in the coming months.

Overall expenditures were \$1,302,332 less than anticipated through the end of December. The only fund to deviate from its anticipated budget was the Water Fund, which expended slightly more than anticipated by \$17,162. Continuing efforts by all departments to be conservative in their purchasing practices is reflected in the lower than anticipated expenditures.

The overall fund balance decreased slightly by \$152,074 through the end of the second quarter of the fiscal year, bringing our total combined fund balances to \$15,564,994. This decrease is less than 1% (.97) of Fiscal Year 2008's total fund balances of \$15,717,069. Some of the decrease can be attributed to reimbursements yet to be received from state and federal programs.

After some discussion regarding meals tax, sales tax, and water fund, Council approved with a 5-0 vote, the finance report with a motion by Gene Teague, seconded by Kimble Reynolds.

On a motion by Gene Teague, seconded by Mark Stroud, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 1/27/2009				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b><u>FY09</u></b>				
<b><u>GENERAL FUND</u></b>				
01100909	490801	Recovered Costs - Senior Citizens		2,281
01100908	480420	Miscellaneous - Donations/Senior Citizens		123
01102926	436421	Categorical Federal - Senior Citizens		1,707
01714212	506016	Senior Citizens - Program Supplies	4,111	
<b>Total General Fund:</b>			4,111	4,111

On a motion by Kimble Reynolds, seconded by Gene Teague, Council approved with a 5-0 vote, the updated list of projects to be included in the Year 2009 Regional Comprehensive Economic Development Strategy and authorized the City Manager to

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provide this information to the U. S. Department of Commerce Economic Development Administration. The list includes:

# COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

## PRIORITY PROJECTS

July 1, 2009 - June 30, 2010

PROJECT	PRIORITY	DESCRIPTION	FUNDING SOURCE	AMOUNT	TOTAL	ENVIRON- MENTAL IMPACT	NO. OF JOBS
<b>Revitalization of Uptown Business District in</b>	1	Purchase and prepare land, build hotel and parking deck around proposed arena site uptown.	EDA	\$7,000,000	\$9,000,000	positive	200
			CDBG	\$2,000,000			
<b>Martinsville, VA</b>	1	Incentivize small businesses (interior makeover/elevator)	EDA	\$900,000	\$900,000	positive	80
	1	Rental Voucher Program	EDA/HUD	\$300,000	\$300,000	N/A	Indirect
	1	Construct/Retrofit Condo Units in Uptown	EDA	\$1,000,000	\$2,000,000	Positive	15
			DHCD	\$300,000			
<b>Community Development Projects - Martinsville Area &amp; CBD</b>	1	Purchase blighted properties, prepare sites for developers (Draper/Holt Bldg./600 W Church St.)	Brownfield	\$400,000	\$825,000	Assess 1st	100/Indirect
			EDA City	\$325,000 \$100,000			
	1	Forgivable loan for historic property to rehab and reuse for the Orange & White Building	EDA	\$500,000	\$500,000	N/A	50
	1	Purchase and prepare land in arena area for develop. On the Moss/Market/Church lot	EDA CDBG	\$1,500,000 \$500,000	\$2,000,000	Positive	200
	1	Rives Road - Supporting Residential Dev. Of former Factory	CDBG	\$300,000			
	1	Rives Road Site Development - full site dev. Including A&E site grading.	EDA	\$1,400,000	\$1,400,000	Positive	400
	1	Further develop 12-acre lot at Clearview Business Park to prepare for companies.	EDA	\$750,000	\$750,000	Positive	200+
	1	Upgrade electrical capacity at Clearview	EDA	\$2,000,000	\$2,000,000	Positive	25
	1	Complete brownfield site - Sara Lee/American Furniture A&E, grading, make build ready.	EDA	\$3,000,000	\$3,500,000	Positive	300
	<b>Clean Energy Encouragement Uptown Martinsville</b>		Brownfield	\$500,000			
		Recruit manufacturers of Clean Energy Components to Martinsville area and enterprise zone	EDA	\$100,000	\$100,000	Positive	200
	1	Complete Construction of rail trail for walking/biking	EDA City	\$50,000 \$25,000	\$75,000	Positive	Indirect
	1	Retrofit city hall and schools in Martinsville to accommodate energy efficient products	EDA	\$750,000			
<b>City of Martinsville -</b>	1	Extract methane to produce electricity - former landfill	EDA	\$600,000	\$600,000	Positive	50/Indirect
	1	Rehabilitation of closed building once used by textile/	EDA	\$1,500,000	\$2,450,000	Positive	250

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<b>Teleworks Center</b>		tobacco industry to serve as multi-employer telecommuni-	City	\$250,000			
		cations center accommodating employees of businesses and state government agencies based in northern and eastern Virginia - Sara Lee and American Furniture buildings	CDBG	\$700,000			
<b>Broadband Planning Grant</b>	1	Study feasibility of broadband planning for the economic growth and add to tourism and business components in the Martinsville area.	EDA	\$25,000	\$25,000	Positive	Indirect
	1	Installation of broadband	EDA	\$100,000	\$100,000	Positive	Indirect

Discussion on this topic included: projects list is a wish list in anticipation of the federal stimulus package; city should leverage all possible partnerships to grow the city; retrofitting government buildings important; ongoing conversations are occurring with partners and stakeholders; should continue to stay in touch with legislators to make sure our area is in line for the federal stimulus money. City Manager Clarence Monday gave the following information regarding his recent meetings with newly elected Congressman Tom Perriello and his staff: adverse effects of NAFTA on our area were pointed out to the Congressman; Perriello interested in how the former Sara Lee and former American Furniture sites could be cleared for an Uptown site for the city; discussed opportunities at Clearview Business Park as well as with landfill and broadband cable growth. The City Manager requested permission from Council to apply for a broadband planning grant, for up to \$25,000 in non-matching funds. Council agreed to the request by consensus.

On a motion by Kimble Reynolds, seconded by Danny Turner, Council adopted the following resolution authorizing the City to file an application with the Commonwealth of Virginia Department of Rail and Public Transportation for a grant to help offset costs related to the operation of a City/County public transit system (PART) for the period October 1, 2009 through September 30, 2010:

**Resolution Authorizing the Application for State Aid to Public Transportation**

**BE IT RESOLVED** by the Council of the City of Martinsville that the City Manager is hereby authorized, for and on behalf of the City of Martinsville hereafter referred to as the **PUBLIC BODY**, to execute and file an application with the Department of Rail and Public Transportation, Commonwealth of Virginia, hereafter referred to as the **DEPARTMENT**, for a grant of financial assistance in the amount of \$68,400 to defray the costs borne by the **PUBLIC BODY** for public transportation purposes and to accept from the **DEPARTMENT** grants in such amounts as may be awarded, and to authorize the City Manager to furnish to the **DEPARTMENT** such documents and other information as may be required for processing the grant request.

The City of Martinsville certifies that the funds shall be used in accordance with the requirements of Section 58.1-638.A.4 of the Code of Virginia, that the **PUBLIC BODY** will provide funds in the amount of \$22,800 which will be used to match the state funds in the ratio as required in such Act, that the records of receipts of expenditures of funds granted the **PUBLIC BODY** may be subject to audit by the **DEPARTMENT** and by the State Auditor of Public Accounts, and that funds granted to the **PUBLIC BODY** for defraying the expenses of the **PUBLIC BODY** shall be used only for such purposes as authorized in the Code of Virginia. The undersigned duly qualified and acting

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Mayor of the **PUBLIC BODY** certifies that the foregoing is a true and correct copy of a Resolution, adopted at a legally convened meeting of the Council of the City of Martinsville held on the 27th day of January, 2009.

Grant and local funding is currently in place to cover costs of the City/County public transit project, known as PART (Piedmont Area Regional Transit) through the end of September, 2009. In order to apply for funds for year two of the project, an application must be filed with DRPT by February 1, 2009, for the period from October 1, 2009, through September 30, 2010. The latest project budget information provided by RADAR shows an anticipated local match of \$45,600 (split equally between City and County) for year two of the program. If the grant application is approved, the actual contract will be not be executed until August or September, at which point a final decision can be made by the City and County regarding continuation of the program. Discussion included comments regarding bike racks installed on bus, suggested route changes, bus stop signage, advertising of bus schedule especially on MGTV.

On a motion by Kimble Reynolds, seconded by Gene Teague, Council approved with a 5-0 vote, the contract with Ameresco, Inc. for a detailed energy audit of various City/School buildings and facilities. Assistant City Manager, Leon Towarnicki, outlined details of the process: in response to a Request for Proposals advertised by the City for a detailed building/facility energy audit and possible energy services agreement and long-term performance contract, Ameresco, Inc. was selected by a joint City/School review committee. The first step in the project is to conduct a detailed building and facility energy audit to identify energy consumption patterns and features (such as lighting, heating/air conditioning, building HVAC controls, etc.) and to develop a list of potential projects for consideration, each with a defined energy savings and pay-back period. At the end of the detailed audit process, the City and School will have the opportunity to enter into a long-term performance contract and select various projects to implement, with the cost of the projects being offset by corresponding energy savings. The contract cost of the detailed audit is \$63,000. If the City/School decides to enter into a long-term performance contract with Ameresco, Inc. upon conclusion of the detailed audit, the audit fee will not be billed. If the City/School does not move forward with a project implementation/performance contract phase, the cost of the study will be billed.

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City Attorney Eric Monday presented the following information to Council for their consideration on the Treasurer vacancy:

Written notification of her resignation was given to the City on January 6, 2009, effective February 1, 2009. Council may at any time up to February 16, 2009 request the Circuit Court for a special election (Virginia Code § 24.2-228.1). The Code also states that special elections for constitutional officers shall be held "promptly," although it gives no further guidance on exactly what that means (Virginia Code § 24.2-682).

The timing of the election is up to the Court, but Council may recommend a specific date. The election may be concurrent with the next general election (in which case it would be for the full four year term), or may be on any other, earlier Tuesday which is not 60 days (a) before a general election or (b) before, or concurrent with, a primary election (in which case a second election for the full four year term would occur on November 3 (Virginia Code § 24.2-682). There is a primary election on June 9, 2009; the special election cannot be on that date.

The state Board of Elections recommends at least 60 days to stage an election; that is not a requirement, however. The Code contemplates the possibility of shorter amounts of time—about a month (Virginia Code § 24.2-507). There is currently at least one election to fill a House of Delegates vacancy that is a one-month interval. Registrar Ercell Cowan states that a special election will cost \$5,000-6,000, which would be paid from the fund balance.

Available dates for a special election are: January 13, 20, 27 --February 3, 10, 17, 24--March 3, 10, 17, 24, 31--April 7--June 16, 23, 30--July 7, 14, 21, 28--August 4, 11, 18, 25--September 1--November 3

Mayor Lawson yielded to Vice Mayor Kimble Reynolds as she has been approached about seeking the position. Vice Mayor Reynolds asked for motions. Council Member Danny Turner made a motion to hold the Treasurer election on November 3 as part of the regular election. There was no second to the motion and it died for lack of a second. Council Member Stroud made a motion to hold the special election on April 7 or June 16 and his motion was seconded by Council Member Gene Teague. Council approved recommending to the Circuit Court that the special election for the Treasurer be held on April 7 or June 16 with the following 3-1 vote: Reynolds-aye; Teague-aye; Stroud-aye; Turner-nay; Lawson-abstained.

On a motion by Gene Teague, seconded by Kathy Lawson, with a 4-1 vote with Council Member Turner voting nay, Council approved the authorization to expend funds from the City fund balance in the amount \$13,500 for the turnover audit of the Treasurer's office.

On a motion by Gene Teague, seconded by Mark Stroud, with a 3-1 vote with Council Member Turner voting nay and Mayor Lawson abstaining, Council approved the authorization to expend funds from the City fund balance in the amount of no more than \$6,000 for the cost of the special election.

Regarding Council's 2009 Goals & Initiatives, Council will schedule a special worksession to review and make additions to the document. This worksession will also allow time for public input on the goals. Copies of the proposed goals document are available to the public in the City Manager's office.

There was no business from the floor.

Comments by Council members: Turner made comments commending Alan and Chris Bell in their recent lifesaving efforts in a North Carolina community; Teague commented it would be appropriate to honor these two men here at one of our Council

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meetings; Lawson reported she has been involved in pre budget meeting and the process is moving along; Stroud pointed out his hopes that the energy audit will help offset some of our state budget cuts.

No comments were made by City Manager.

In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Kimble Reynolds, seconded by Gene Teague, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7 and (B) A prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community as authorized by Subsection 5. Council added the following closed item (3) Appointments to Boards and Commissions as authorized by Subsection 1.

At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during said Session. On a motion by Kimble Reynolds, seconded by Mark Stroud, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council returned to Open Session. No action was taken.

There being no further business, Mayor Lawson adjourned the meeting at 9:26 PM.

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Clarence C. Monday  
Clerk of Council

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Kathy C. Lawson  
Mayor